



# STATE OF WISCONSIN Assembly Journal

## Ninety-Seventh Regular Session

TUESDAY, April 19, 2005

The Chief Clerk makes the following entries under the above date:

### AMENDMENTS OFFERED

Assembly substitute amendment 1 to **Assembly Bill 39** offered by Representative Nass.

Assembly amendment 1 to Assembly substitute amendment 1 to **Assembly Bill 39** offered by Representative Nass.

Assembly amendment 1 to **Assembly Bill 251** offered by Representative J. Fitzgerald.

Assembly amendment 1 to **Assembly Bill 253** offered by Representative Nischke.

### ADMINISTRATIVE RULES

#### **Assembly Clearinghouse Rule 04-077**

Relating to landfilling of solid waste.  
Submitted by Department of Natural Resources.  
Report received from Agency, April 13, 2005.  
To committee on **Natural Resources**.  
Referred on April 19, 2005.

### INTRODUCTION AND REFERENCE OF PROPOSALS

Read first time and referred:

#### **Assembly Bill 342**

Relating to: private motor carriers transporting livestock.  
By Representatives Nerison, Ainsworth, Petrowski, Hahn, Ott, Lamb, Davis, Gronemus, Vruwink, Albers, M. Williams, Loeffelholz, Towns, Ballweg, Bies, Boyle, Freese, Gunderson, Gundrum, Hines, Hundertmark, Kestell, Kleefisch, LeMahieu, Musser, Owens, Pettis, Pridemore, Schneider, Townsend, Ward and Wood; cosponsored by Senators Harsdorf, Kapanke, Brown, Olsen, A. Lasee and Grothman.

To committee on **Transportation**.

#### **Assembly Bill 343**

Relating to: prohibiting the University of Wisconsin System from advertising the availability of, prescribing, and dispensing certain hormonal medication or combination of medications and prohibiting persons from advertising, prescribing, or dispensing the medication or combination of medications on University of Wisconsin System property.

By Representatives LeMahieu, Kestell, Nass, Van Roy, Kleefisch, Pridemore, Bies, Albers, Strachota, F. Lasee, Owens, Loeffelholz, J. Fitzgerald, Honadel, Gunderson, Gottlieb, Nischke, Vos, Vrakas, Hundertmark, Suder, Ott, Krawczyk, Petrowski, Vukmir, Mursau, Ballweg, Hahn, Gielow, Hines, Jeskewitz, Montgomery and Gundrum; cosponsored by Senators Grothman, Leibham, S. Fitzgerald, Kanavas, Kedzie, Lazich and Reynolds.

To committee on **Children and Families**.

### COMMITTEE REPORTS

The committee on **Ways and Means** reports and recommends:

#### **Assembly Bill 17**

Relating to: increasing the amount of the individual income tax subtract modification for social security benefits.

Passage:

Ayes: 8 – Representatives Wood, Hahn, Jeskewitz, Kerkman, Lothian, Strachota, Pridemore and Ziegelbauer.

Noes: 5 – Representatives Nass, Berceau, Toles, Hebl and Fields.

#### **Assembly Bill 73**

Relating to: the amount of the exemption from income tax withholding requirements for employees of a county fair association.

Passage:

Ayes: 13 – Representatives Wood, Nass, Hahn, Jeskewitz, Kerkman, Lothian, Strachota, Pridemore, Berceau, Ziegelbauer, Toles, Hebl and Fields.

Noes: 0.

#### **Assembly Bill 78**

Relating to: creating an individual income tax exemption for military income received by certain members of the U.S. armed forces and sunseting the armed forces member tax credit.

Assembly Substitute Amendment 1 adoption:

Ayes: 13 – Representatives Wood, Nass, Hahn, Jeskewitz, Kerkman, Lothian, Strachota, Pridemore, Berceau, Ziegelbauer, Toles, Hebl and Fields.

Noes: 0.

Passage as amended:

Ayes: 13 – Representatives Wood, Nass, Hahn, Jeskewitz, Kerkman, Lothian, Strachota, Pridemore, Berceau, Ziegelbauer, Toles, Hebl and Fields.

Noes: 0.

**Assembly Bill 104**

Relating to: increasing the amount of the individual income tax subtract modification for social security benefits.

Passage:

Ayes: 13 – Representatives Wood, Nass, Hahn, Jeskewitz, Kerkman, Lothian, Strachota, Pridemore, Berceau, Ziegelbauer, Toles, Hebl and Fields.

Noes: 0.

**Assembly Bill 121**

Relating to: exempting school districts from the motor vehicle fuel tax.

Assembly Amendment 1 adoption:

Ayes: 13 – Representatives Wood, Nass, Hahn, Jeskewitz, Kerkman, Lothian, Strachota, Pridemore, Berceau, Ziegelbauer, Toles, Hebl and Fields.

Noes: 0.

Passage as amended:

Ayes: 13 – Representatives Wood, Nass, Hahn, Jeskewitz, Kerkman, Lothian, Strachota, Pridemore, Berceau, Ziegelbauer, Toles, Hebl and Fields.

Noes: 0.

*JEFFREY WOOD*  
Chairperson  
Committee on Ways and Means

**MESSAGE FROM THE SENATE**

From: Robert J. Marchant, Senate Chief Clerk.

Mr. Speaker:

I am directed to inform you that the Senate has

Passed and asks concurrence in:

**Senate Bill 124**

**ACTION ON THE SENATE MESSAGE**

**Senate Bill 124**

Relating to: authorizing a town that has entered into a cooperative boundary agreement to use tax incremental financing.

By Senators Kanavas, Schultz, Stepp and Grothman; cosponsored by Representatives Nischke, Jensen, Kerkman, Hahn, Gielow, Krawczyk, Pridemore, Van Roy, Ainsworth, Bies, Owens, F. Lasee and Gunderson.

To committee on **Ways and Means**.

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**SPEAKER'S COMMUNICATIONS**

April 18, 2005

Mr. Patrick Fuller  
Chief Clerk, Wisconsin State Assembly  
Room 208, Risser Justice Center  
17 West Main Street  
Madison, Wisconsin 53708

Dear Patrick:

Pursuant to Assembly Rule 42 (3)(c), I am withdrawing **Assembly Bill 343** from the Assembly Committee on Children and Families and re-referring it to the Assembly Committee on Family Law. I have the consent of Representative Kestell, chair of the Assembly Committee on Children and Families, to take this action.

Sincerely,  
*JOHN G. GARD*  
Speaker

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**REFERENCE BUREAU CORRECTIONS**

**Engrossed Assembly Bill 63**

In enrolling, the following correction was made:

1. Page 9, line 15: delete the material beginning with “for” and ending with “the” on line 16 and substitute “for presentation at the polling place serving the”.

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**ENROLLED BILLS**

The following Assembly proposals, which have been approved by both the Assembly and Senate, have been enrolled by the Legislative Reference Bureau:

**Assembly Bill 63**  
**Assembly Bill 92**  
**Assembly Bill 94**  
**Assembly Bill 99**  
**Assembly Bill 140**

*PATRICK E. FULLER*  
Assembly Chief Clerk

**SPEAKER'S APPOINTMENTS**

April 11, 2005

Mr. Patrick Fuller  
Chief Clerk, Wisconsin State Assembly  
Room 208, Risser Justice Center  
17 West Main Street  
Madison, Wisconsin 53708

Dear Patrick:

Pursuant to Wisconsin State Statutes Section 13.489 (1), I have appointed Representatives Phil Montgomery, John Ainsworth and Mark Gottlieb to the Transportation Projects Commission.

Sincerely,  
*JOHN G. GARD*  
Speaker of the Assembly

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April 11, 2005

Mr. Patrick Fuller  
Chief Clerk, Wisconsin State Assembly  
Room 208, Risser Justice Center  
17 West Main Street  
Madison, Wisconsin 53708

Dear Patrick:

Pursuant to Wisconsin State Statutes Section 15.915 (6)(b), I have appointed Representative Don Friske to the Environmental Education Board.

Sincerely,  
*JOHN G. GARD*  
Speaker of the Assembly

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April 11, 2005

Mr. Patrick Fuller  
Chief Clerk, Wisconsin State Assembly  
Room 208, Risser Justice Center  
17 West Main Street  
Madison, Wisconsin 53708

Dear Patrick:

Please be advised that I am reappointing Representative Scott Gunderson to the State Fair Park Board.

Sincerely,  
*JOHN G. GARD*  
Speaker of the Assembly

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April 11, 2005

Mr. Patrick Fuller  
Chief Clerk, Wisconsin State Assembly  
Room 208, Risser Justice Center  
17 West Main Street  
Madison, Wisconsin 53708

Dear Patrick:

Please be advised that I am reappointing Representative Al Ott to the World Dairy Center Authority.

Sincerely,  
*JOHN G. GARD*  
Speaker of the Assembly

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April 11, 2005

Mr. Patrick Fuller  
Chief Clerk, Wisconsin State Assembly  
Room 208, Risser Justice Center  
17 West Main Street  
Madison, Wisconsin 53708

Dear Patrick:

Please be advised that, pursuant to Wisconsin State Statute Section 13.48 (2), I am reappointing Representatives Dan Vrakas and Jeff Fitzgerald to serve on the Building Commission.

Sincerely,  
*JOHN G. GARD*  
Speaker of the Assembly

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April 11, 2005

The Honorable James E. Doyle  
Governor  
Room 115 East  
State Capitol Building  
Madison, Wisconsin 53708

Dear Governor Doyle:

I am pleased to announce my appointment of Representatives Don Friske and Jeff Mursau to the Governor's Council on Forestry.

Sincerely,  
*JOHN G. GARD*  
Speaker of the Assembly

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April 11, 2005

The Honorable James E. Doyle  
Governor  
Room 115 East  
State Capitol Building  
Madison, Wisconsin 53708

Dear Governor Doyle:

Please be advised that I am reappointing Representative Mark Pettis to the Governor's Council on Tourism.

Sincerely,  
*JOHN G. GARD*  
Speaker of the Assembly

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April 11, 2005

Mr. Thomas Fletemeyer  
Executive Director, Educational Communications Board  
Wisconsin Public Broadcasting  
3319 West Beltline Highway  
Madison, Wisconsin 53713

Dear Mr. Fletemeyer:

Please be advised that, pursuant to Wisconsin State Statute Section 15.57 (4), I am reappointing Representative Ann Nischke to serve on the Educational Communications Board.

Sincerely,  
*JOHN G. GARD*  
Speaker of the Assembly

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## AGENCY REPORTS

State of Wisconsin  
Legislative Audit Bureau  
Madison

March 31, 2005

To the Honorable, the Legislature:

We have completed our financial and compliance audit of the State of Wisconsin, as requested by state agencies to meet the audit requirements of the federal Single Audit Act of 1984, as amended, and the provisions of federal Office of Management and Budget Circular A-133. Our audit covered the period July 1, 2003 through June 30, 2004. In addition to satisfying federal audit requirements, the audit assists us in meeting state audit requirements under s. 13.94, Wis. Stats.

Audit procedures performed at the larger state agencies that administer federal financial assistance programs, including the University of Wisconsin System, consisted of assessing the propriety of revenues and expenditures and of testing internal controls and compliance with laws and regulations related to the administration of federal grant programs. For the smaller agencies and selected University of Wisconsin campuses, our audit procedures were limited to verifying information included in the federally required State of Wisconsin Schedule of Expenditures of Federal Awards and following up on prior-year audit findings. Our audit focused on the 27 federal grants that either exceeded the \$25.2 million threshold used to define major grants or were below this threshold but were selected for review based on the risk-based assessment criteria established by the federal government.

Our report contains the auditor's reports on compliance and internal control and our unqualified audit opinion on the State of Wisconsin Schedule of Expenditures of Federal Awards. The agency narratives contain our comments on internal control deficiencies related to the administration of federal grants, findings of noncompliance for each agency, and the results of our follow-up to prior audit findings. A summary schedule of findings and questioned costs for the current year's audit is also provided, as well as a summary of the status of findings included in our prior audit report for the State of Wisconsin (report 04-2). We note that, overall, state

agencies have complied with federal grant requirements and have taken steps to address findings included in the prior-year's single audit report. However, we report internal control deficiencies and several areas of noncompliance, and we identify \$237,797 in questioned costs. This amount represents a small portion of the \$9.3 billion in federal financial assistance administered by the State of Wisconsin.

The federal government will resolve the findings and questioned costs included in our report. Federal agencies are expected to contact state agencies regarding resolution. To assist federal officials in their efforts, state agency contact information is provided in appendices to this report.

In addition to the comments and recommendations included in our report, separate audit communications either have been or will be issued addressing internal control issues and noncompliance with state statutes related to certain accounting transfers and expenditures.

We appreciate the courtesy and cooperation extended to us by agency staff during our audit. Agencies' comments on individual findings, along with their corrective action plans to address our concerns, are included within the agency narratives.

Respectfully submitted,  
*JANICE MUELLER*  
State Auditor

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State of Wisconsin  
Legislative Audit Bureau  
Madison

April 12, 2005

To the Honorable, the Legislature:

We have completed audit work at the Department of Financial Institutions to meet our audit requirements under s. 13.94, Wis. Stats. The primary focus of our audit was to review the Department's fiscal operations and related activities to assess whether they are effectively managed, well-controlled, and in compliance with statutory requirements. The Department is responsible for regulating state-chartered financial institutions, the securities industry, and other financial service providers. In addition, it maintains corporate and Uniform Commercial Code filings, investigates consumer complaints related to credit transactions, and provides consumer financial education.

The Department is funded primarily through program revenue derived from fees and assessments paid by regulated entities and individuals. In recent years, it also was awarded almost \$7.7 million in settlements as the result of nationwide actions against brokerage firms. In the past five fiscal years, over \$128.3 million of the Department's program revenue has been transferred or lapsed to the General Fund.

Overall, we found the Department has adequate fiscal management practices in place. However, we identified several areas in which it could further improve internal controls and fiscal processes, including the efficiency and controls of its receipts processing, password security, access to the State's central payroll system, and physical inventories

of capital assets. The Department agrees with the recommended improvements and has identified its plans to implement our recommendations. Its responses have been incorporated into this letter.

We appreciate the courtesy and cooperation extended to us by the Department's staff during our audit.

Sincerely,  
*JANICE MUELLER*  
State Auditor

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State of Wisconsin  
Legislative Audit Bureau  
Madison

April 12, 2005

To the Honorable, the Legislature:

We have completed audit work at the Office of the State Public Defender to meet our audit requirements under s. 13.94, Wis. Stats. We reviewed the Office's fiscal operations and related activities to assess whether they are effectively managed, well-controlled, and in compliance with statutory requirements. The Office is responsible for providing legal representation that is constitutionally guaranteed for defendants who are unable to afford private attorneys. In fiscal year (FY) 2003-04, it provided legal services to almost 145,000 indigent clients through staff attorneys who are directly employed by the Office and private attorneys who are paid on an hourly basis through fixed-fee contracts.

The Office is funded primarily through general purpose revenue, although it receives some program revenue from the indigent clients it serves and through sponsorship of training conferences. In FY 2003-04, it had 527.5 full-time equivalent employees in 38 locations statewide, and its expenditures totaled \$79.9 million.

Over the past five years, the Office's expenditures for private attorneys increased 44.1 percent. Such increases present continuing budgeting challenges for the State. Currently, the invoices that private attorneys and investigators submit during the final quarter of a biennium are not funded until the next budget period, which delays payment for up to three months after they are submitted. This budget practice has been in place for many years, but warrants careful review to ensure it is in compliance with established budget provisions. We also identified several areas in which the Office could improve internal controls and fiscal processes, including private attorney certifications, employee travel reimbursements, fixed assets, and password security. The Office agrees with the recommended improvements and has identified its plans to implement our recommendations. Its responses have been incorporated into this letter.

We appreciate the courtesy and cooperation extended to us by Office staff during our audit.

Sincerely,  
*JANICE MUELLER*  
State Auditor

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State of Wisconsin  
Legislative Audit Bureau  
Madison

April 19, 2005

To the Honorable, the Legislature:

As requested by the Joint Legislative Audit Committee, we have completed a review of the physician office visit data (POVD) program administered by the Department of Health and Family Services (DHFS). Chapter 153, Wis. Stats., directs DHFS to collect, analyze, and disseminate certain types of health care information. The POVD program is intended to provide a centralized, statewide source of information for outpatient health care services delivered in physician offices.

The program is funded by fees levied on physicians who are licensed and practicing in Wisconsin. Since fiscal year (FY) 1999-2000, DHFS has spent more than \$2.9 million to administer the POVD program and related projects. It is authorized 12.28 full-time equivalent positions for all health care data collection activities, but only 6.2 full-time equivalent DHFS staff worked on physician-related projects, including the POVD program, in FY 2003-04.

We found numerous problems with the program, including serious concerns with the quality, comparability, and comprehensiveness of the data. For example, there are inconsistencies in reported charges, service delivery locations, and types of services being provided. Further, DHFS is collecting information from 13 medical practice groups, representing only 30.9 percent of Wisconsin physicians, and has released data only for 2003. The data it has released have been of limited usefulness to researchers and health care professionals, although this results in part from statutory and other restrictions on data release. DHFS has yet to produce information that is usable by the general public.

In 2005 Assembly Bill 100, the Governor has proposed creating a new Health Care Quality and Patient Safety Board in October 2005. The proposed Board would be responsible for recommending changes to the POVD program, with the goal of replacing it with a new health care information system by July 2007. As it debates the Governor's proposal, the Legislature may wish to direct DHFS to address concerns with the POVD program; alternatively, the Legislature may choose to eliminate the program immediately.

We appreciate the courtesy and cooperation extended to us by DHFS staff as we conducted this review.

Sincerely,  
*JANICE MUELLER*  
State Auditor